

The Department of General Services' (DGS) Office of Fleet Management Services (OFMS) operates the Vehicle Maintenance Control Center (VMCC) that services approximately 4,500 vehicles. Over 175 agencies and institutions of the Commonwealth use these vehicles to conduct official state business. The Office administers, monitors, and enforces all rules and regulations regarding the assignment, utilization, maintenance, repair, and replacement of fleet vehicles. In addition, OFMS oversees the operation of a 24/7 Vehicle Management Control Center responding to customer vehicle issues and emergencies.

### SAVINGS AND COST AVOIDANCE

- In FY14 the VMCC was able to reduce direct maintenance costs to the OFMS fleet by approximately \$441,794. The VMCC has enabled DGS to perform vehicle maintenance and repair work more efficiently and at lower costs.
- Approximately 300 agencies and localities are currently using the DGS state collaborative contracts for the vehicle fuel cards, bulk fuel and short term vehicle rentals. The short term vehicle rental contract has realized a cost avoidance for state agencies and localities from FY10 through FY14 of approximately \$2.2 million.
- By having the contract to use Enterprise for rental services, it has resulted in a cost avoidance to the Commonwealth in FY14 of approximately \$510,261. The state's policy for travel reimbursement was \$0.56 per mile. In FY14, employees traveled a total of 4,780,444 miles in Enterprise vehicles for a total Enterprise rental cost of \$1,592,692 and fuel cost of \$586,047. With the Enterprise contract the cost for the same amount of travel equates to about \$0.33 per mile. If the same number of miles would have been reimbursed using the personal reimburse rate in effect in FY14 of \$0.5625 per mile it would have cost the Com-



monwealth a total of about \$2.69 million.

### OPERATIONAL EFFECTIVENESS

The VMCC program proved to be successful in the first phase so OFMS extended all of the VMCC services to other state agencies and public entities in Phase II. This service gives agencies the ability to relinquish maintenance control over the vehicles to the VMCC by providing the security of a 24-hour call center along with a turn-key maintenance management system. This program also affords users the same data collection and reporting tools OFMS utilizes for pool vehicles. Currently the following are participating in the program:

- Attorney General's Office
- Buckingham Correctional Center
- Division of Capitol Police
- Christopher Newport University
- Dept. of Agriculture
- Dept. of Conservation and Recreation
- Dept. of Correctional Education
- Dept. of Corrections
- Dept. of Environmental Quality
- DGS Office of Surplus Property Management
- Dept. of Health
- Dept. of Motor Vehicles
- Dept. of Social Services
- Dept. of Treasury
- Dillwyn Correctional Center
- Dept. of Emergency Management
- Halifax Correctional Unit
- Dept. of Housing and Community Development
- Indian Creek Correctional Center
- Lord Fairfax Community College
- Northern Virginia Community College
- Piedmont Community College
- Rappahannock Regional Jail
- Rappahannock-Rapidan Community Services Board
- Region Ten Community Services Board
- Dept. of Aging and Rehabilitative Services
- Richmond Redevelopment and Housing Authority
- Science Museum of Va.
- Virginia Correctional Enterprises
- Virginia Economic Development
- Virginia School for the Deaf and Blind
- Virginia Tourism Authority
- Wallens Ridge Correctional Center
- Wytheville Community College

CoVA Cost Avoidance (Enterprise Rentals)	FY12	FY13	FY14
Miles Driven	5,265,101	4,298,320	4,780,444
Fuel Used (Gallons @ 27 MPG)	195,004	159,197	177,053
Avg. Fuel Cost/Gal	\$3.46	\$3.43	\$3.31
Fuel Cost	\$674,713	\$546,046	\$586,047
IRS Mileage Rate	\$0.533	\$0.56	\$0.56
Personal Reimbursement Cost (Potential)	\$2,803,666	\$2,407,059	\$2,689,000
Less Rental Vehicle Cost	(\$1,787,873)	(\$1,509,630)	(\$1,592,692)
Less Rental Fuel Cost	(\$674,713)	(\$546,046)	(\$586,047)
<b>CoVA Cost Avoidance (YTD)</b>	<b>\$341,081</b>	<b>\$351,384</b>	<b>\$510,261</b>

## VEHICLE MANAGEMENT CONTROL CENTER (VMCC)

The VMCC is a public/private partnership between DGS and G4S Fleet Services to manage vehicle maintenance requirements for OFMS vehicles. The VMCC offers the following services:

- A call center staffed with experienced representatives who respond to and manage scheduled and unscheduled vehicle maintenance and repair.
- Provision of emergency response 24 hours a day, 7 days a week for operators of state vehicles involved in emergency and non-emergency vehicle incidents.
- State-of-the-art automated fleet management application that captures vehicle maintenance, repair and operation information resulting in reliable and accurate vehicle management benchmark and performance data.
- Vehicle maintenance application with the ability to track all vehicle warranty and recall information.

## CUSTOMER-FOCUSED SERVICE

- As a response to the current trend of fleet consolidation and outsourcing, the OFMS is expanding the Fleet Management Program currently offered to state agencies. Through a strategic marketing effort targeting local governments, OFMS will be consolidating management of government vehicles. This consolidation will create an economy of scale savings that can be realized by all parties.
- OFMS has completed facility expansions and is currently enlisting new state agencies into the Vehicle Management Control Center. Some of the current service offerings to local government entities are:
  - DMV registration, licensing, and titling services
  - 24/7 emergency roadside service
  - Short-term vehicle rentals through Enterprise Rental car contract as well as long-term vehicle assignments
  - Vehicle management services through the OFMS Vehicle Management Control Center
  - Automotive preventive maintenance and unscheduled repair services
  - Vehicle gas and E85 refueling at the OFMS facility
  - Bulk fuel, fuel card and consignment fuels through the statewide Motor Fuel contracts

## GOVERNOR'S ALTERNATIVE FUEL INITIATIVE

- In 2011 the General Assembly passed legislation and an executive order was issued requiring the state to pursue an alternative fuel arrangement under Virginia's Public-Private Education Facilities and Infrastructure Act (PPEA) of 2002. Two private fuel companies that could fulfill the requirements were identified

to help build infrastructure and convert the vehicle fleet. In September 2012, Governor McDonnell signed a multi-state agreement and executive directive to advance the conversion of the state's fleet to alternative fuels. In the next 12 months DGS will contact state agencies, identify vehicles in the 15,500 fleet that qualify for alternative fuel conversion, and begin the process. DGS also will work with municipalities and their transit systems to implement conversion to alternative fuels where applicable.

## STATE MOTOR FUEL PROGRAM

The Commonwealth of Virginia Department of General Services (DGS) was directed by the General Assembly to procure, through a competitive procurement process, gasoline and diesel fuel for state and local government entities. DGS launched the State Motor Fuel Program with collaborative contracts for bulk fuel, fuel cards and consignment fuel that aggregated the Commonwealth's fuel purchasing into a single procurement. The OFMS has been marketing the program to local governments and by FY14 has incorporated 59 bulk fuel and 137 fuel card participants into the program.

### Bulk Fuel Program

Through aggregating the volume, the resulting contracts were able to reduce the contract differential by an average of 18% for gasoline and 34% for diesel when compared to the current VDOT contracts.

### Fuel Card Program

The OFMS fuel card program is an OFMS contracted service provided by a private sector fuel service provider, Mansfield Oil. Mansfield Oil has collaborated with card provider, Voyager.

- Provides state drivers access to over 16,000 commercial fuel sites statewide, while still maintaining the ability to use state-owned sites.
- Fuel purchase data is transferred into the VMCC fleet management system, allowing each agency to receive one consolidated and detailed monthly bill for fuel card purchases.
- Automated exception report program that provides information to agencies on "unusual" fuel card transactions (excessive fuel usage, after-hours fuel usage, etc.)

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